

Cwlwm response to Children, Young People and Education Committee recommendations

Cwlwm submitted a formal response to the Childcare Funding (Wales) Bill consultation in May 2018 and following this gave evidence to the committee at a session in the Senedd on the 24th May 2018. Following the publication of the committee's stage 1 report on the Bill, Cwlwm 16 have reviewed the recommendations made and have the following comments to make.

Recommendation 4.

That the Welsh Government make available, before the start of Stage 3, the results of the evaluation of the childcare offer pilot to inform Members' tabling and consideration of amendments.

Recommendation 5.

That the Welsh Government does not finalise the detail of the regulations that will be made under this Bill until the findings of the evaluation of the childcare offer pilots have been fully analysed and published.

We believe that the evaluation should be shared with Cwlwm partners and the Local Authorities in order for all involved to support providers to plan effectively for stage 3 and through lessons learned in the pilot.

Recommendation 7.

That the Bill be amended to extend its provisions beyond working parents, to include parents who are seeking work by undertaking education and training linked to securing employment, to be defined in regulations.

We agree with this recommendation as including parents who are seeking work by undertaking education and training will ensure that they will have a pathway to employment.

Recommendation 8.

That the Bill be amended to provide the Welsh Ministers with a regulation-making power to extend its provisions to other categories of parent in the future. Any such regulations should be subject to the super-affirmative procedure.

We agree with this recommendation as it will allow the Bill to reflect the cultural needs and changes through time.

Recommendation 9.

That the Bill be amended to require the Welsh Ministers to fund childcare for qualifying children of working parents for, or for a period equivalent to, 30 hours in each of 48 weeks in any year (to include the early years education already funded through local authorities). The Bill should also include provision enabling the amount of childcare to be amended in the future by regulations subject to the super-affirmative procedure.

We agree with this recommendation as this would future proof the Offer and enable any changes to the arrangement.

Recommendation 10.

That the Welsh Government keep under review the age of the “qualifying children” to whom the Bill’s provisions should apply. This is with a view to ensuring that either:

- *the Bill can be amended at a later stage to include the details of the age of a “qualifying child”, if the evidence received from the evaluation of the pilot is unequivocal; or*
- *the eligibility regulations reflect the lessons learned in the specified age of the “qualifying child”, if the results of the evaluation are ambiguous in this regard.*

We agree with this recommendation as it future proofs policy changes.

Recommendation 17.

That the Welsh Government make available, before the start of Stage 3, a revised Child Rights Impact Assessment (CRIA). This CRIA should consider the Bill’s impact on all children, not just those eligible under its provisions for the childcare offer. This is particularly important in light of the Children’s Commissioner’s concerns that an unintended consequence of the Bill’s focus on qualifying children of working parents could be an increase in the child development, school readiness and educational attainment gap between our most advantaged and disadvantaged children.

We agree with this – in some cases working parents can support their children and therefore there is a risk of widening the gap between the most advantaged and disadvantaged children.

Recommendation 18.

That the Welsh Government ensure that, as part of the evaluation of the childcare offer pilot’s roll-out, information to assess the impact of its arrangements on summer-born children is gathered, analysed, and used to inform the shape of the childcare offer that is eventually rolled out nationally.

We agree with this recommendation.

Recommendation 20.

That the Welsh Government ensure that any new obligations imposed on local authorities in relation to this Bill are accompanied by the necessary amount of funding to deliver them.

We agree with this recommendation and can also highlight the need for continued funding to support partnership working between Cwlwm partners and the Local Authorities. The amount of funding needs to be revised regularly to ensure that the funding meets the needs to deliver such obligations. We recommend that the funding be revised every 3 years.

Recommendation 21.

That the Welsh Government set aside a proportion of its budget for the childcare offer to provide additional support between now and the offer's roll-out to facilitate an increase in the co-location of childcare and early years education provision. This should include incentives for the non-maintained sector to increase its provision of early years education.

We agree with this as a general principle of the 30-hour Offer. Cwlwm partners would be interested to be informed of any planned incentives and to support the development of models for these jointly.

Incentives for the non-maintained sector to increase its provision of early year's education will be reliant on a fair payment for this service and we agree that this should be the case in terms of making the offer attractive and accessible for parents and families. The current rates for Foundation Phase Nursery (FPN) funding are not aligned with the current funding rate for the wider childcare element of the Childcare Offer which is understandably causing concern for the sector.

In terms of widening the range of providers who can deliver both elements of the Offer and so supporting co-location, it makes sense for this to be co-located where this is practical between partners. We agree that co-location and collaboration between providers are key factors to be considered without displacing existing provision.

Co-location may be in the form of different types of childcare, and innovative ways of delivery will be key in meeting the needs of families. Parental choice about what is suitable for the child should be at the centre of decision about where the Offer is taken up. We also acknowledge that there are many scenarios where children already access more than one location during the day and that this works well and is not necessarily detrimental to the child. We urge local authorities to work with the childcare, early years and play sector when planning co-location to ensure the delivery of high quality flexible childcare and to ensure the consideration of existing childcare provision. Local authorities should support the sector to expand and grow their businesses where there is a high demand for childcare provision. This will also help to maintain a level playing field in childcare provision and access.

There are concerns that future consideration of co-location of early years and childcare places might be to the detriment of existing childcare provision. Assurances need to be given that current provision is not displaced. Whilst we support the idea of co-location in principle, it should not come at the cost of the sustainability (and closure) of existing provision that communities have worked so hard to develop. Where possible, existing local providers should be given the opportunity to extend their provision with support from the collaborative working with Cwlwm partners. Many providers would not be averse to relocating to school sites to offer their services as this is often preferable for parents and for the settings themselves as long as the school site was suitable for childcare and offered on a long term basis with a fit

for purpose agreement in place. Utilising current provision and improving settings sustainability should be a priority. Cwlwm urges local authorities to use expertise within the sector given the experience, wealth of knowledge and regulatory knowhow. Where settings can show to the local authority that they have comprehensive business plans in place then they should be considered for capital funding for the expansion of childcare places on a school site, where there is an identified need.

Recommendation 23.

That the Welsh Government issue revised guidance to local authorities defining the meaning of “sufficient nursery education”, to guard against any risk of less than the current amount of early years education being offered by each local authority once the childcare offer is in place.

We welcome the new [Foundation Phase Nursery \(FPN\)](#) guidance for Local Authorities that has now been published and how this highlights the need for a balance between non-maintained and maintained education and opening up of opportunities to the childcare sector. We feel it is going further than the recommendation and is welcomed though still ‘only’ guidance.

The results of NDNA’s Annual Nursery Survey for Wales showed that funding shortfalls and the challenge of keeping fees affordable for parents are still concerns for nurseries in Wales. There is a risk that these challenges could contribute to recruitment and retention issues in the sector. It is concerning that the guidance does not commit local authorities to increase the hourly funding rate of Foundation Phase Nursery which could impact on business sustainability in the non-maintained sector.

The Welsh Government commits to early years as a priority sector and the non-maintained sector is ready to deliver high quality Foundation Phase Nursery which is free at the point of delivery but this can only happen if the funding is in place to allow them to do so.

Recommendation 24.

That the Welsh Government work with Care Inspectorate Wales and Estyn to reflect and implement the lessons learned from the evaluation of the joint-inspection framework, with a view to considering more streamlined arrangements.

We agree with this recommendation. This also highlights the need for continued partnership working between Cwlwm partners and Care Inspectorate Wales (CIW)/Estyn.

Recommendation 26.

That the Welsh Government remove the right for providers to apply additional charges.

Recommendation 27.

That the Welsh Government assess, as a matter of priority, how many providers are applying additional charges within the existing Early Implementer Local Authorities (EILAs) and for what reason

We feel that Welsh Government and other partners promoting the Childcare Offer need to be stronger on the use of the term government funded childcare rather than free childcare to support ‘myth busting’ around this and to meet parents expectations.

We would challenge this recommendation to ensure that providers are treated fairly. Paragraph 275 notes: ‘We question how many non-maintained providers “normally allow” parents to bring their own food for children, and the potential concerns in respect of refrigeration, allergies and hygiene.’ Why therefore would it be acceptable for children to bring in snacks and packed lunches in schools but not in the non-maintained provision? This would be up to a setting to decide. It is normal practice in many childcare settings for children to bring packed lunches and thus if providers do offer an option that they should be allowed to charge. The insinuation is that providers are using this as a loophole when it may be their normal practice. Paragraph 277 states a “free” childcare offer should not have charges attached to it.’

Education in schools is funded but there are still charges that can be made in addition to e.g. school lunch and excursions. There needs to be one rule for all providers. There needs to be definitions of what are extras to the ‘normal’ service and a discussion around sustainability. In order to ensure fairness a realistic cap on additional charges could be agreed but providers should not be losing out financially by providing the offer. There needs to be clarity to ensure that providers do not take advantage of the offer by adding charges that they would not normally add but that they can charge for example where they do so already to provide transport or where they would normally charge for meals.

Cwlwm partners urge the Welsh Government to ensure Early Implementer Local Authorities (EILAs) undertake a full review prior to making a decision regarding removing the right for providers to apply additional charges. Evidence from the sector collated by Cwlwm partners has shown challenges to the sector including financial stability.

NDNA’s 2018 Annual Nursery Survey Wales found that the top three challenges for nurseries in Wales were:

- 1. Rising staff wages.**
- 2. Making a profit or surplus.**
- 3. Delivering a sustainable Foundation Phase Nursery (FPN) provision.**

Unless the Welsh Government can reassure the sector that funding rates given to providers will increase in line with business costs, the sustainability of the childcare sector in Wales will remain a concern, meaning providers can only pass any increasing costs on to parents.

That the Welsh Government outline, in advance of the Stage 1 debate, the discussions it has held with HMRC about the likely costs and timescales associated with any change to the income cap, and the basis on which the Minister has stated that such a change could be possible in future.

Recommendation 30.

That the Welsh Government roll out the childcare pilot offer to a handful of the more affluent wards within existing EILAs, to test the extent to which the offer remains one that is taken up largely by those earning less than the median average salary.

Recommendation 31.

That the Welsh Government, based on the findings of the forthcoming evaluation (and, if accepted, any data emerging as a consequence of recommendation 30), review the income cap of £100,000 per parent.

We agree that a review of the income cap of £100,000 per parent is required.

Recommendation 33.

That the Welsh Government, as a matter of urgency, reconsider the ability of schools to deliver the full childcare offer directly.

We challenge this recommendation as the childcare, early years and play sector deliver high quality childcare in an environment which is fit for purpose, supporting the development of our very youngest children, inspected by the Care Inspectorate Wales and Estyn (where applicable). Practitioners have the required qualifications to work within the childcare, early years and play sector in Wales.

Paragraph 302: the preferred approach for the 30 hours to be in one location could be to the detriment of childcare and play providers already offering this service and this could lead to significant sustainability issues within established settings who are already struggling. Welsh Government should consider supporting already established settings to become more sustainable by encouraging them to alter their services to include the age ranges within the offer. Schools for instance should also be encouraged to accommodate (with affordable, long term rental agreements) external out of school clubs and work with childcare providers, who have the qualifications, expertise and experience of providing quality care, especially during school holiday periods.

Paragraph 303 in the report states that schools face a barrier to providing childcare unless they form a partnership with a provider or set up a separate legal entity that is able to register with CIW. Most childcare settings already collaborate with schools to provide childcare around the school day either on or off site. The main barrier for many settings is getting schools to allow the opening up of their sites during school holidays for the delivery of registered childcare. Use of schools during after school hours is also becoming increasingly problematic, with many schools stating that there is insufficient space due to extracurricular non-childcare clubs being run on site. Long term, affordable agreements with third party providers are also imperative.

We also question “additional burdensome processes” (para 304). The Committee should be aware that all non-maintained providers of Foundation Phase Nursery (FPN) offer are registered with CIW and ESTYN and will receive joint inspections. If

schools were allowed to provide the offer without registering with CIW then this would become an education offer and the opportunity for children to receive quality childcare and play opportunities would be lost. Play is a right under the UNCRC, and creates resilient, creative, content children. Within quality childcare and play settings, children also have opportunities to engage in new activities through play in a process that is less formal than school.

As representatives of the early year's childcare and play sector, Cwlwm partners have supported the development of the childminding and day-care regulations for many years. We do not want to see any variation in this that could result in confusion or different standards being applied. It is important to recognise that providers of early years, childcare and play services are businesses in their own right and need to adhere to the agreed standards for care. This includes all standards for care of children and the qualifications needed by the workforce who are trained in child and brain development, importance of play in development as well as regulatory areas such as the national minimum standards, safeguarding, health and safety, employment law,

This recommendation would have an impact on the provision of childcare and could potentially result in the loss of community childcare and early years services. It might also impact on parental choice as parents may not choose to place their child in a school setting all day.

We also ask that consideration is given to suitability of premises if schools offer all day childcare. The environment needs to provide for all of the child's needs where they can thrive in a space where they can play, learn, rest, and eat.

Recommendation 35.

That the Welsh Government ensure an appropriate balance is struck between capital support for both the maintained and non-maintained sectors.

We agree with this recommendation, it also highlights the need for continued partnership working between CWLWM and Local Authorities. If local authorities are considering using the capital funding to extend childcare provision on school sites, they should utilise the expertise of existing childcare and play provision to deliver this service where possible. As they have the experience, wealth of knowledge and regulatory knowhow to deliver early years and childcare. We recommend that local authorities give consideration to any existing provision within close proximity, to ensure that any expansion using capital funding does not result in displacement of childcare places impacting upon the sustainability of existing services.

Cwlwm partners, NDNA Cymru and PACEY Cymru, have recommended that in the Childcare Offer Capital Grant programme that some of the capital funding should be allocated to purchase equipment, through a small grants scheme, which can be used by settings to secure the delivery of the Childcare Offer requirements in respect of Information Communications Technology (ICT) and digital competencies, outdoor play and Welsh Language.

Recommendation 36.

That the Welsh Government respond in detail to Social Care Wales's calculations of the workforce deficit as detailed in paragraph 324 of this report. This response should be provided before the Stage 1 debate, to inform Members' consideration of the extent to which the Bill's stated purpose of encouraging more people back to work will be affected if the sector does not have the capacity to deliver childcare to all eligible families

We agree with this recommendation.

Recommendation 37.

That the Welsh Government, in accordance with the Welsh Language Commissioner's recommendations, work to integrate the childcare offer with the Cymraeg 2050 strategy, use Welsh in Education Strategic Plans (WESPs) to specify targets in relation to Welsh language childcare provision, and reform the way childcare data is collected and shared to ensure that all planning is based on reliable information.

We agree with this recommendation. Only by aligning the Childcare offer to the Local Authority WESPs and #Cymraeg2050 policy that we can ensure that we are developing Welsh language provision in areas identified locally that meets the needs of parents and creates demand to create a million Welsh speakers.